

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
High-Cost Universal Service Support)	WC Docket No. 05-337

**COMMENTS of ADTRAN, INC. in SUPPORT of
WINDSTREAM WAIVER REQUEST**

ADTRAN, Inc. (“ADTRAN”) is filing these comments in support of the Petition for Waiver filed by Windstream Communications, Inc. (“Windstream”) on July 24, 2012.¹ Windstream seeks a waiver of the Connect America Fund Phase I deployment requirement of “one unserved location per \$775” of CAF Phase I funding that would permit the company to utilize all of its allocated CAF Phase I support to expand broadband facilities.² As explained below, ADTRAN agrees with Windstream that grant of the waiver will well serve the public interest by expediting deployment of broadband to tens of thousands of currently unserved customers.

ADTRAN, founded in 1986 and headquartered in Huntsville, Alabama, is a leading global manufacturer of networking and communications equipment, with an innovative portfolio

¹ *Public Notice*, Wireline Competition Bureau Seeks Comment on Windstream Communications Petition for Waiver of Certain High-Cost Universal Service Rules, DA 12-1181, released July 25, 2012.

² *Connect America Fund* et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (Nov. 18, 2011) (“*Connect America Fund Order*”).

of more than 1,700 solutions for use in the last mile of today's telecommunications networks. ADTRAN's equipment is deployed by some of the world's largest service providers, as well as distributed enterprises and small and medium businesses. Importantly for purposes of this proceeding, ADTRAN solutions enable voice, data, video and Internet communications across copper, fiber and wireless network infrastructures. ADTRAN thus brings an expansive perspective to this issue. As recognized in the comprehensive *Universal Service Fund Reform Order*, ADTRAN has also been an active participant at all stages of this proceeding.³

ADTRAN need not expend much effort in "preaching to the choir" on the manifold benefits of broadband. The Commission and all stakeholders agree on the importance of broadband and the need to foster deployment of Internet access to all Americans.⁴ Broadband access is critical to education, communication, employment, productivity, health care, entertainment and an informed and participatory electorate. We cannot afford to have a nation of broadband "haves" and "have nots."

As demonstrated in Windstream's Petition for Waiver, strict adherence to the "one unserved location per \$775" of CAF Phase I funding requirement will disserve the public interest by indefinitely delaying broadband to literally tens of thousands of Americans. Windstream proposes, instead, to be able to (1) first deploy broadband to all unserved locations where \$775 in incremental support is sufficient to make an economic case and (2) then to spend specified levels of funding on deployment of nearly 2,000 miles of second-mile fiber that will enable additional

³ Indeed, the Commission relied extensively on ADTRAN's input in the *Connect America Fund Order*, at nn. 136, 144, 145, 148, 180 and 182.

⁴ Federal Communications Commission, *Connecting America: The National Broadband Plan*, (rel. Mar. 16, 2010).

broadband deployment. Indeed, as explained in the accompanying Declaration, “grant of the waiver thus would lead directly to new broadband service for nearly 44,000 unserved Americans in the hardest-to-reach areas.”⁵ These benefits are concrete and will be realized expeditiously.⁶

In deciding on the “one unserved location per \$775” of CAF Phase I funding requirement, the Commission relied on general models and limited anecdotal evidence (*e.g.*, proposals for BIP funding).⁷ In contrast, Windstream has undertaken extensive modeling of its network deployment costs in order to demonstrate the significant benefits that could accrue from grant of its waiver. Those efforts take into account the relatively high cost of bringing broadband service to Windstream’s unserved customers.

Windstream has thus demonstrated “special circumstances” that warrant a deviation from the general rule.⁸ Indeed, Windstream is in its current predicament – unable to accept

⁵ See Skudin Declaration at ¶ 12.

⁶ The Commission recently reaffirmed the important role the CAF will play in extending broadband to presently unserved areas, so it certainly makes sense to make sure the funding is used and not sitting idle. See, *Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996, as Amended by the Broadband Data Improvement Act*, (Eighth Broadband Progress Report), FCC 12-90, released August 21, 2012 at ¶¶ 11 and 143; *Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996, as Amended by the Broadband Data Improvement Act* (Ninth Broadband Progress Notice of Inquiry), FCC 12-91, released August 21, 2012 at ¶ 45.

⁷ *Connect America Fund Order* at ¶¶ 140-142.

⁸ Waiver is appropriate if special circumstances warrant a deviation from the general rule, and such deviation will serve the public interest. *WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969).

approximately 99 % of its eligible CAF Phase I funding -- because it has already expended significant resources deploying broadband to a large percentage of its lowest-cost customers.⁹ It would be unreasonable to punish Windstream's unserved customers because of its previous efforts.

For all of these reasons, ADTRAN supports the Petition for Waiver filed by Windstream and urges the Commission to grant that relief expeditiously.

Respectfully submitted,

ADTRAN, Inc.

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⁹ “Windstream has invested more than \$778 million over the past six years to extend broadband to approximately 92 percent of its voice customer base, up from 76 percent in 2006.” *See* Skudin Declaration at ¶ 3.